



# FLEET MANAGEMENT DEPARTMENT(FMD)

**FY2021 Proposed Budget Presentation  
Fleet Management Fund (1005)**

Victor Ayres, Director

May 14, 2020



# Program Organizational Chart

Revolving Fund 1005  
**FLEET MANAGEMENT**  
 FY2021 Projected Budget \$92,439,480  
 FTEs: 385.0

Director's Office	Fuel Management	Fleet Operations	Asset Management	Parts Management	Fleet Share Management
\$4,519,920 FTEs: 5.0	\$23,988,703 FTEs: 10.2	\$37,468,877 FTEs: 309.1	\$869,962 FTEs: 7.0	\$24,692,948 FTEs: 49.1	\$899,070 FTEs: 4.6
Leadership and management of the Fleet Management Department	Administer citywide fuel program and fuel site maintenance	Equipment maintenance and repair of all City rolling stock	Licensing, titling, acquisition, and records management for all city rolling stock	Management of parts supply contracts, stocking and issuance of automotive parts.	Management and oversight of the City's shared motor-pool for all departments

# Revenues Overview

(\$ in thousands)

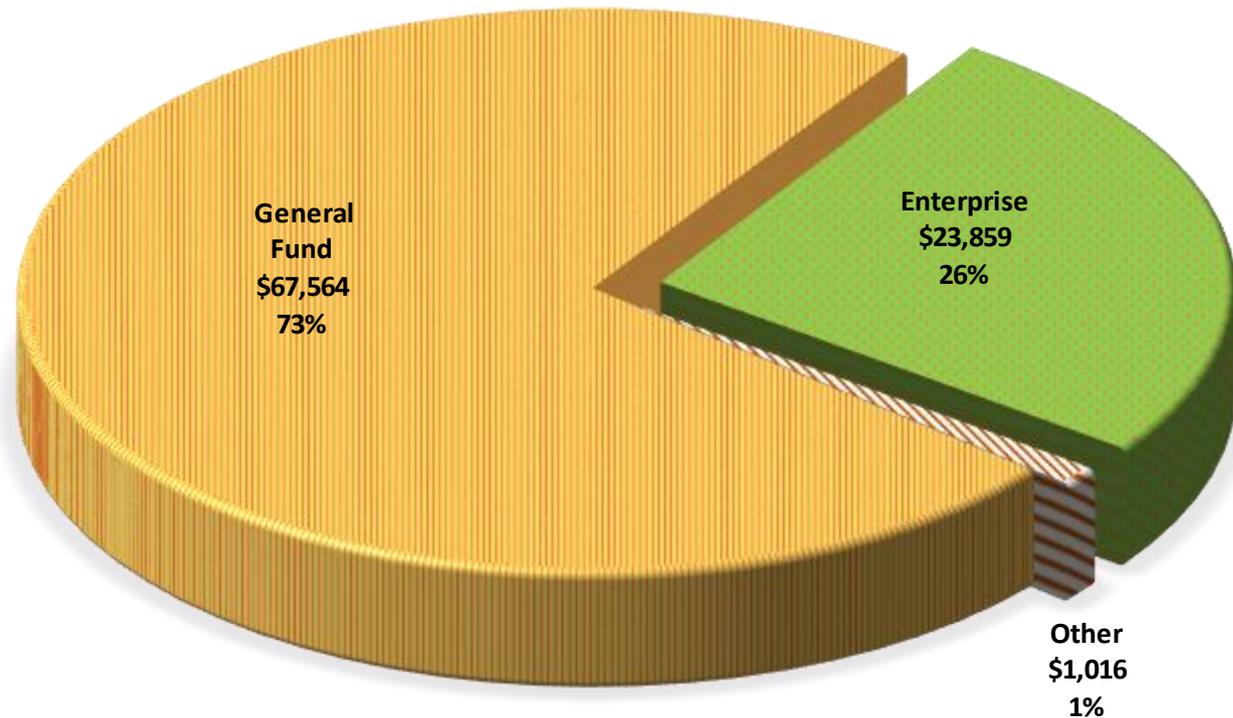


Category	FY19 Actual	FY20 Projected Budget	FY20 Estimates	FY21 Projected	Variance FY21 Prop/FY20 Estimates	% Change
Revolving Fund	\$87,689	\$89,840	\$89,840	\$92,439	\$2,599	2.89%
<b>Total</b>	<b>\$87,689</b>	<b>\$89,840</b>	<b>\$89,840</b>	<b>\$92,439</b>	<b>\$2,599</b>	<b>2.89%</b>

# FY2021 FMD Revenue Sources (in thousands)



## FY2021 FMD REVENUE SOURCES



# Department Expenditures By Category (\$ in thousands)



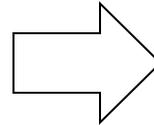
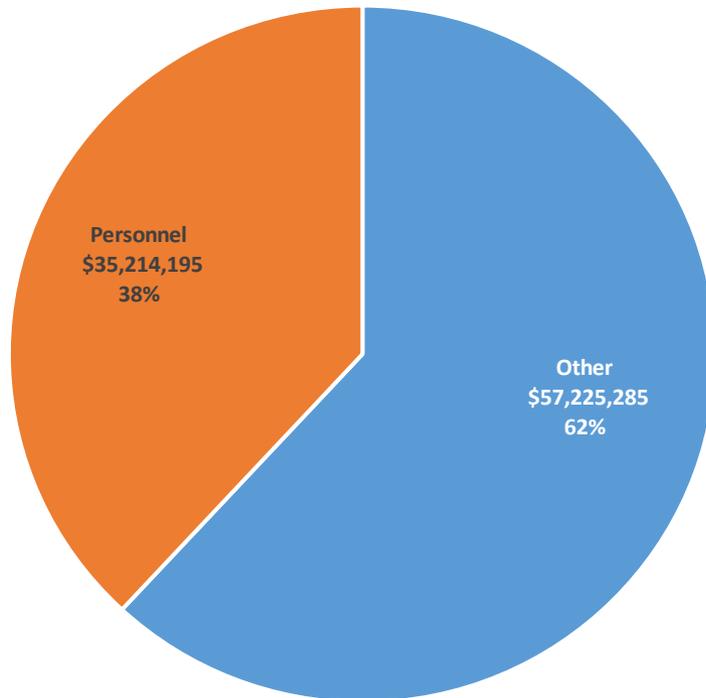
Category	FY19 Actual	FY20 Projected Budget	FY20 Estimates	FY21 Projected Budget	Variance FY21 Proj/FY20 Estimates	% Change
Personnel	\$32,347	\$33,429	\$33,429	\$35,214	\$1,785	5%
Supplies	\$20,417	\$21,374	\$21,374	\$21,705	\$331	2%
Restricted Accounts*	\$23,295	\$23,110	\$23,110	\$24,062	\$952	4%
Services (contracts)	\$11,630	\$11,927	\$11,927	\$11,458	-\$469	-4%
<b>Total</b>	<b>\$87,689</b>	<b>\$89,840</b>	<b>\$89,840</b>	<b>\$92,439</b>	<b>\$2,599</b>	<b>2.9%</b>

\*Restricted Accounts -Budget includes service chargeback accounts for items such fuel, electricity, IT accounts, etc.  
See appendix for more details

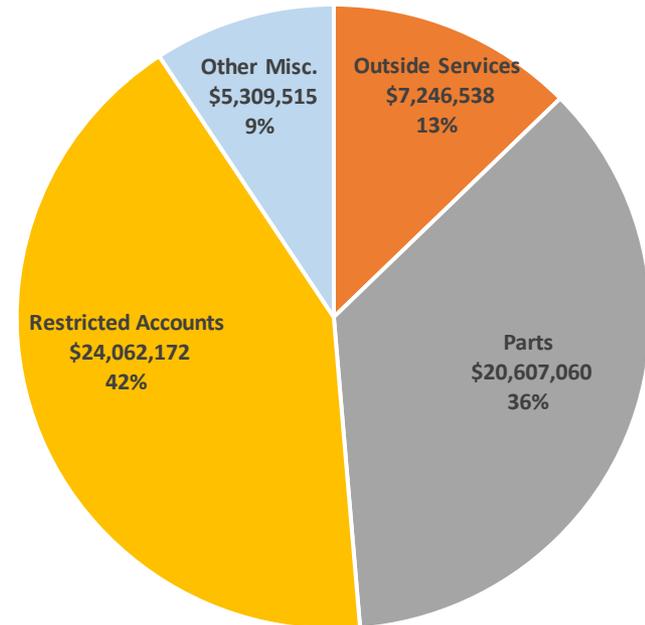
# FY2021 Personnel vs Non Personnel



**FY2021 Projected Budget**  
92,439,480



**Other Services & Charges**  
\$57,225,285



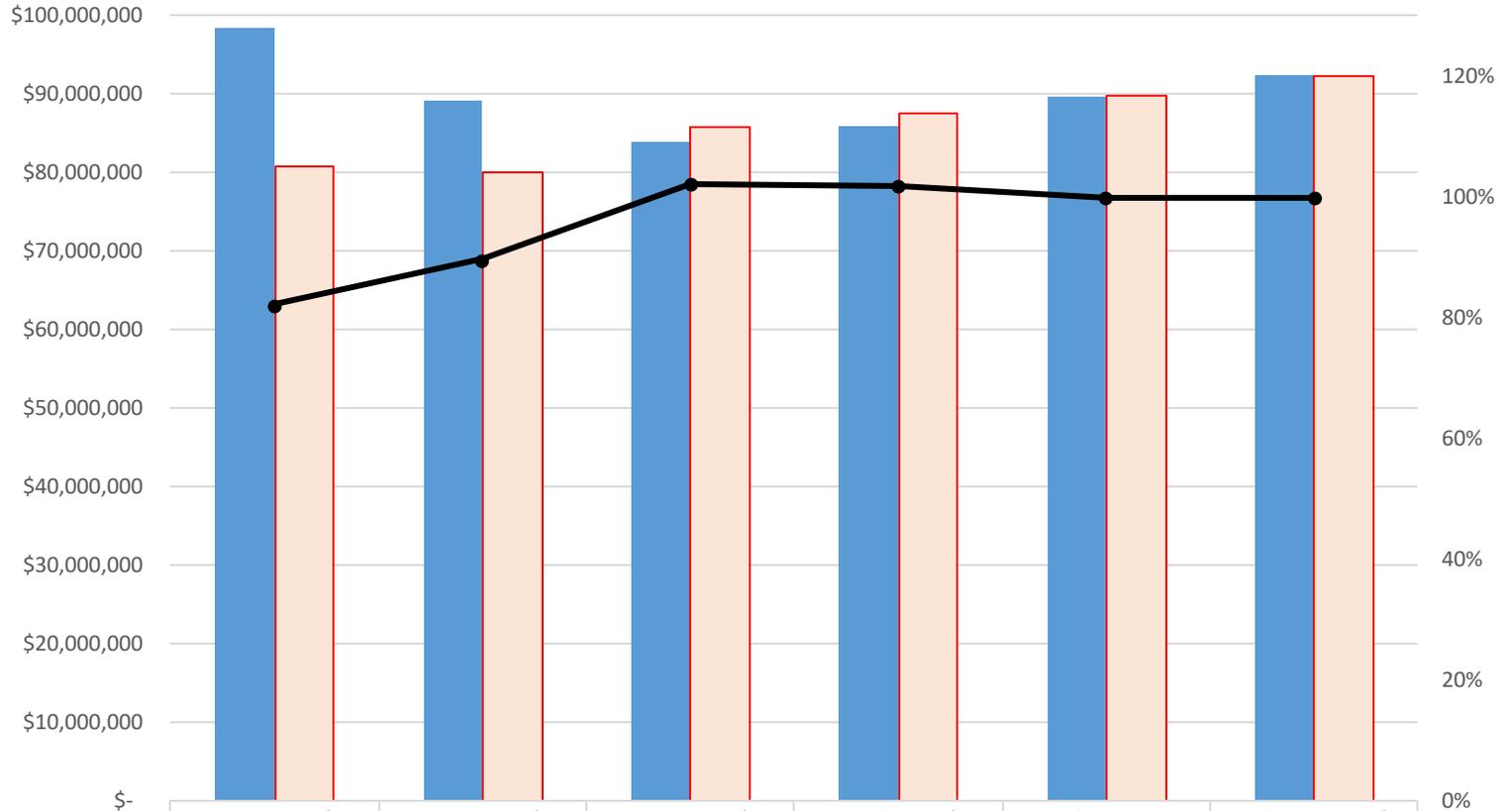
# FY2021 Budget Expenditures Net Change (in thousands)



FY2021 Budget Expenditures Net Change to FY2020 Current Budget		
<b>FY2020 Current Budget</b>		
Operating Budget	\$ 66,731	<b>Notes</b>
Restricted Budget	\$ 23,110	1
<b>FY2020 Current Budget</b>	<b>\$ 89,840</b>	
<b>Explanation of FY2021 Incremental Increase/(Decrease)</b>		
<b>Operating Budget Adjustments</b>		
Budget reduction initiatives	-	
Personnel budget utilization	-	
<b>Subtotal Operating Budget Adjustments</b>	<b>\$ -</b>	
<b>% Change from FY20 Operating Budget</b>	<b>0.0%</b>	
<b>Contractual or Mandated Adjustments:</b>		
Health Benefits Active Civilian	\$ 567	
Municipal Pension	\$ 188	
Fuel	\$ 785	2
Other Restricted Accounts	\$ 167	
Parts	\$ 223	3
Outsourcing vehicle services	\$ 208	4
Program Adjustments	\$ 461	5
<b>Subtotal Contractual/Mandated Increases</b>	<b>\$ 2,599</b>	
<b>FY2021 Proposed Budget</b>		
Operating and Contractual Adjustments	\$ 2,599	
<b>FY2021 Proposed Budget</b>	<b>\$ 92,439</b>	
<b>% Change from FY20 Current Budget</b>	<b>2.9%</b>	
<b>Notes:</b>		
1. Restricted Budget includes HR services, fuel, electricity, IT accounts, etc.		
2. Fuel based on US Energy Information Administration forecast		
3. Contractual increases for parts		
4. Specialized vehicles and overflow of repairs are outsourced		
5. Various program adjustments		



# Budget History



	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Estimate	FY21 Proposed
Adopted Budget	\$98,488,493	\$89,177,277	\$83,963,921	\$86,013,647	\$89,840,203	\$92,439,480
Actual/Estimate	\$80,955,719	\$80,064,927	\$85,866,364	\$87,688,605	\$89,840,203	\$92,439,480
% Budget Spent	82%	90%	102%	102%	100%	100%



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# Program Details

# Program 1 – Director’s Office & Administration (in thousands)



<b>Program Name:</b>	Director’s Office & Administration
<b>Program Description:</b>	Provides Executive oversight of department. Ensures accomplishment of department mission and sound fiscal management.
<b>Program Deliverables:</b>	Department oversight of approximately 385 employees at 25-locations
<b>Plan Houston:</b>	Spend Money Wisely
<b>Staffing / FTE Count:</b>	5.0 FTEs
<b>Significant Changes:</b>	Re-aligned cost to Fleet Share

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget*
\$4,376	\$4,813	\$4,813	\$4,519

# Program 2 – Fuel Management (in thousands)



<b>Program Name:</b>	Fuel Management
<b>Program Description:</b>	The Fuel Division is responsible for acquisition of unleaded, diesel, and jet fuel for citywide use. Manages deliveries of fuel to city sites and conducts daily fuel site inspections to meet local, state, and federal reporting requirements. Repairs, monitors, and maintains fuel sites. Oversees the City of Houston’s fuel card program.
<b>Program Deliverables:</b>	Supply, tracking, distribution and invoice processing for fuel at 67 city locations and fuel card management.
<b>Plan Houston:</b>	Spend Money Wisely
<b>Staffing / FTE Count:</b>	10.2 FTEs
<b>Significant Changes:</b>	NONE

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$23,190	\$23,133	\$23,133	\$23,989

# Program 3 – Fleet Operations (in thousands)



<b>Program Name:</b>	Fleet Operations
<b>Program Description:</b>	Maintenance and repair of all rolling stock equipment owned by city departments.
<b>Program Deliverables:</b>	Provide operating departments with safe & reliable equipment
<b>Plan Houston:</b>	Spend Money Wisely
<b>Staffing / FTE Count:</b>	309.1 FTEs
<b>Significant Changes:</b>	Increases primarily due to contractual obligations including HOPE, market adjustments, pension cost and health benefits.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$36,288	\$36,359	\$36,359	\$37,469

# Program 4 – Asset Management (in thousands)



<b>Program Name:</b>	Asset Management
<b>Program Description:</b>	Responsible for allocating, approving and monitoring citywide vehicle budget assignments and processes. Performs inspections, licensing, and titling of all city vehicles upon receipt. Manages fixed assets for the department including shop equipment, computers, furniture and computer assets. Maintains fleet management database.
<b>Program Deliverables:</b>	Program ensures that new equipment meets specification, is registered and entered into the fleet management system, and tracks all department assets.
<b>Plan Houston:</b>	Spend Money Wisely
<b>Staffing / FTE Count:</b>	7 FTEs
<b>Significant Changes:</b>	

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$811	\$831	\$831	\$870

# Program 5 – Parts Management (in thousands)



<b>Program Name:</b>	Parts Management
<b>Program Description:</b>	Oversees ordering, receipt, and distribution of automotive parts in 24 locations. Reviews outside services and purchase requisitions for contract compliance and completes invoice receivers in SAP. Establishes third party vendor contracts, conducts compliance meetings and contract reviews with vendors.
<b>Program Deliverables:</b>	Ensure timely and accurate delivery of parts to automotive technicians
<b>Plan Houston:</b>	Spend Money Wisely
<b>Staffing / FTE Count:</b>	49.1 FTEs
<b>Significant Changes:</b>	Parts cost escalations.

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$22,654	\$24,079	\$24,079	\$24,693

# Program 6 – Fleet Share (in thousands)



<b>Program Name:</b>	Fleet Share
<b>Program Description:</b>	Manages the City’s shared motor pool for all City Departments. This includes analyzing vehicle utilization, managing vehicle maintenance and cleaning, parking, training, onboarding new users, and customer service.
<b>Program Deliverables:</b>	Provide safe and reliable transportation options to departments.
<b>Plan Houston:</b>	Spend Money Wisely
<b>Staffing / FTE Count:</b>	4.6 FTEs
<b>Significant Changes:</b>	Re-aligned cost from Director’s office

FY2019 Actual	FY2020 Current Budget	FY2020 Estimate	FY2021 Projected Budget
\$370	\$624	\$624	\$899



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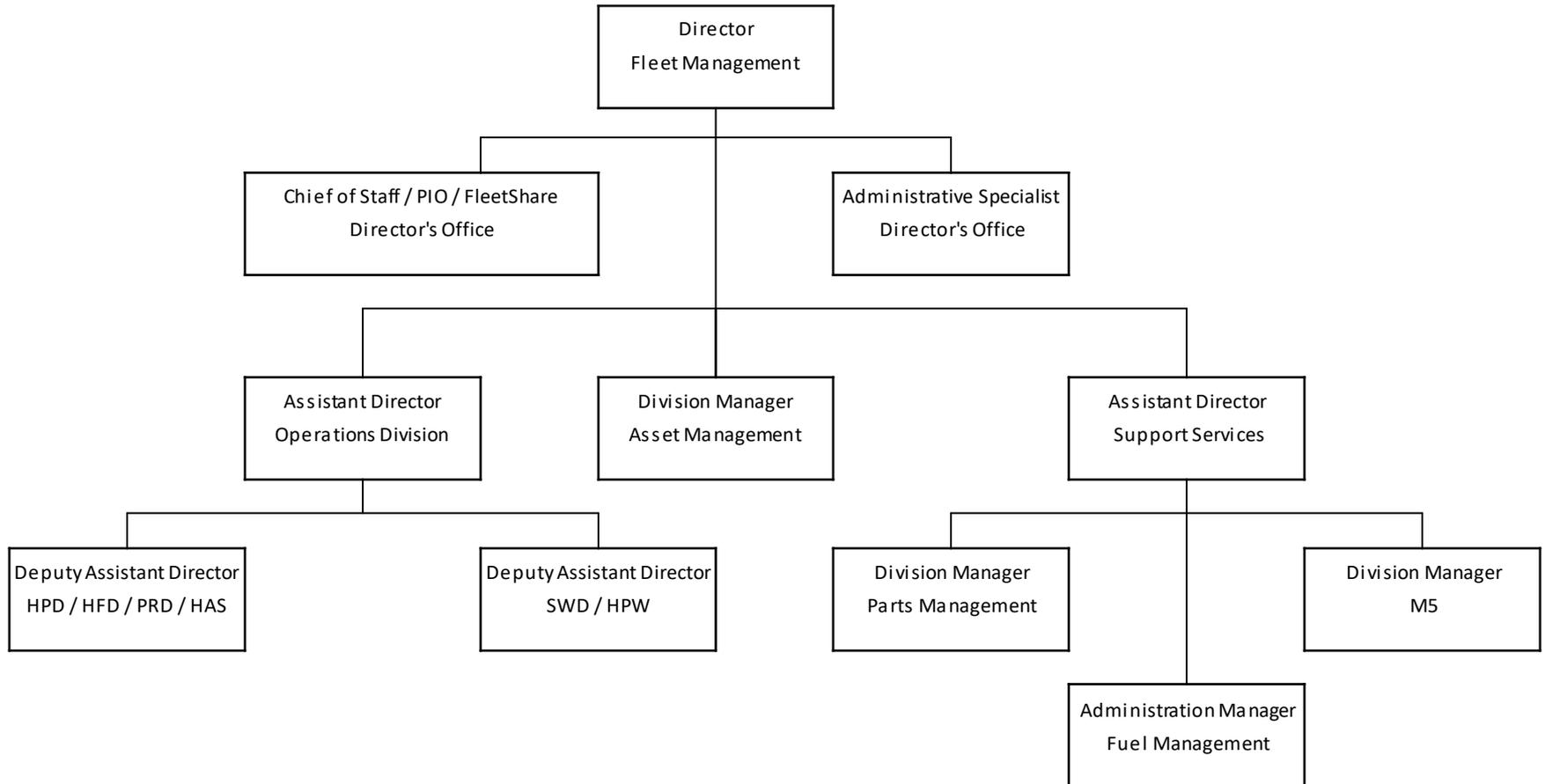
# Appendix



# Restricted Account Details

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.

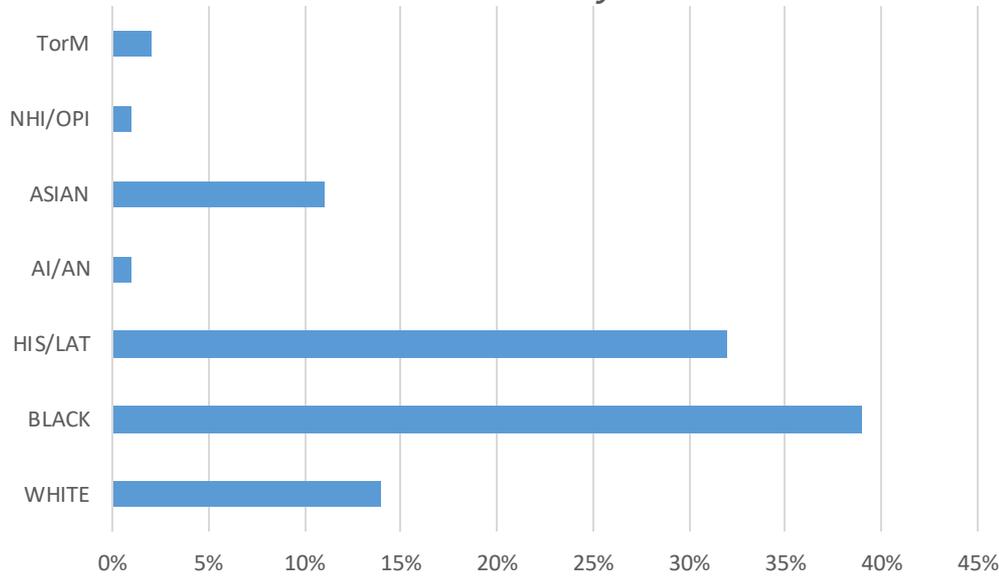
# Organization Chart



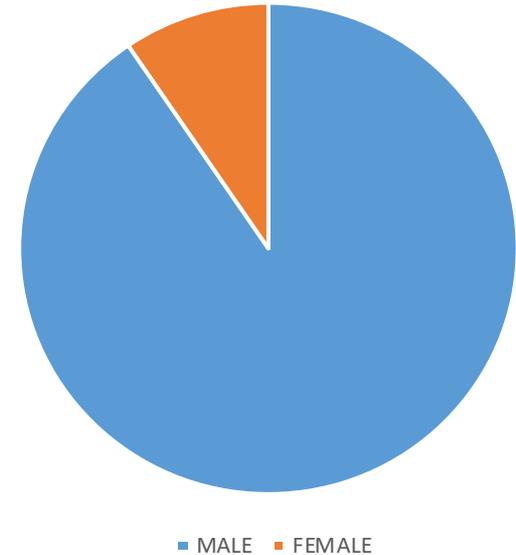


# Ethnicity and Gender

*FMD Ethnicity*



FMD Gender



Race	
WHITE	14%
BLACK	39%
HIS/LAT	32%
AI/AN	1%
ASIAN	11%
NHI/OPI	1%
TorM	2%

*HIS/LAT - Hispanic/Latino*  
*AI/AN - American Indian or Alaskan Native*  
*NH/OPI - Native Hawaiian or Other Pacific Islander*  
*TorM - Two or More Races*



# Department FY2020 Accomplishments

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- Awards and Recognition
  - Leading Fleet, Top 50 ~*Government Fleet Magazine*
- Initiated High School Student Intern Program with Sterling High
- Fuel Management
  - 100% regulatory compliance
  - 24/hr. support of HFD during major structural fire events
- Covid-19 support
  - Providing maintenance and fuel support to testing sites.
  - Providing vehicles to HFD and HHD for nursing home training.



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# QUESTIONS?